GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2036
ANSWERED ON:15.03.2002
SALE OF SUBSIDISED WHEAT IN OPEN MARKET .
SUBODH MOHITE;VILAS BABURAO MUTTEMWAR

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Union Government have decided to scrap the policy of dividing the country into four zones for selling subsidised wheat in the open market;

(b) if so, whether the Union Government have decided to treat each State as a separate zone and charge the actual freight cost incurred by the Food Corporation of India; and

(c) if so, the reasons for scraping the decades old system and the benefit that will accrue as a result thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI ASHOK PRADHAN)

(a),(b)&(c): The High Level Committee (HLC) of the Food Corporation of India (FCI), which has been authorized to fix the open sale rates of wheat under the Open Market Sale Scheme (Domestic) , has fixed these rates State-wise for the months of February and March, 2002 after taking into account the acquisition costs, and the average freight to the States. Under the earlier zone-wise pricing system, the States falling in a zone neighbouring another zone often complained that one issue price for the whole zone was discriminatory, as some States were required to pay more in comparison to the others. The new state-wise pricing system redresses the grievances of the States.